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CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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COUNTRY	West Germany	REPORT	
SUBJECT	WIB Carl Zeiss, Jena: Planned Separation of Branch Plants	DATE DISTR.	17 October 1955
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This is UNEVALUATED  
Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.  
THE APPRAISAL OF CONTENT IS TENTATIVE.  
(FOR KEY SEE REVERSE)

1. In late May 1955, the East German Council of Ministers held a rather extensive discussion and critique of the production planning and development performance of WIB Carl Zeiss, Jena. This meeting was not favorable in tone or atmosphere to Zeiss Jena Chief Dr. Hugo Schrade. However, it is understood that no mere drastic action was taken than the entering in the record of a mild reprimand for Dr. Schrade and the recommendation that various administrative and organizational changes take place as soon as possible. 25X1
2. The Council of Ministers noted, for instance, that the percentage of production rejects had increased from 6.3% for the 1954 production year to 12% for these months of 1955 for which figures were available. It strongly recommended that WIB Carl Zeiss, Jena, find ways and means to increase the profitability (Renditeleistung) by at least 12.5% over the corresponding 1954 figure, so as to obviate the constant necessity of borrowing large sums over and above the approved credit plan just to be able to keep going. 25X1
3. As a follow-up to the recommendations enumerated in paragraph 1 above by the East German Council of Ministers, it is planned to make far-reaching organizational realignments concerning the various branch plants of WIB Carl Zeiss, Jena. 25X1
4. a. As of 1 January 1956, the Dresden-Beick branch plant is to be separated from WIB Carl Zeiss, Jena, and transferred to the administrative and supervisory control of WIB Zeiss-Zell. 25X1

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(Note: Washington distribution indicated by "X"; Field distribution by "P".)

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b. The Bischfeld branch plant is to be separated from VEB Carl Zeiss, Jena as of 31 December 1955. It is not yet known what VEB this branch plant will be merged with.

c. The Weimar branch plant is also to be separated from VEB Carl Zeiss, Jena, presumably by 31 December 1955 or 31 March 1956. It may become a separate VEB.

5. So far, only Saarfeld branch plant where the "Merkur" camera is manufactured, is certain to remain within the VEB Carl Zeiss, Jena, complex.

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Comments:

1. Reports on the Dresden-Reick branch have been received from other sources.

2. A previous report from the same source included the 1955 production program for the Weimar branch plant.

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